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## Filed Via Delafile

Donna Nickerson Secretary Delaware Public Service Commission 861 Silver Lake Boulevard Cannon Building, Suite 100 Dover, DE 19904

Re:

Docket No. 14-193 – Merger Commitment Compliance Filing –

Arrearage Management Plan

## Dear Ms. Nickerson:

On August 31, 2017, pursuant to the requirements of Paragraph 7 of Exhibit "A" of Delaware Public Service Commission Order No. 8952 in Docket No. 14-193, Delmarva Power & Light Company ("Delmarva Power" or the "Company") filed an Application (the "Application") for approval of an Arrearage Management Plan ("AMP"). No action has been taken on the Application since that time. Delmarva Power respectfully requests that the Commission schedule the Application to be considered for approval, subject to the modifications described below, at its March 27, 2018 meeting. In the interest of moving the Application forward, Delmarva Power plans to provide a copy of this letter to all members of the AMP Working Group (as defined below) along with a request that anyone who wishes to provide comments on the modifications do so by March 16, 2018.

As set forth in the Application, Delmarva Power held working group meetings between December 2016 and March 2017 with a number of interested stakeholders to discuss the parameters of an AMP. The interested stakeholders participating in those meetings were Delaware Public Service Commission Staff, the Division of the Public Advocate, Catholic Charities, Inc., Delaware Department of Health and Social Services, Division of State Service Centers, Stand By Me, the Sustainable Energy Utility, the Latin American Community Center, and First State Community Action Association (collectively, the "AMP Working Group"). The proposed AMP as set forth in the Application reflects the consensus of the AMP Working Group on the parameters of the AMP.

As noted in the Application, the enrollment period for the AMP Pilot (as defined in the Application) will depend upon when the Commission approves the Application. At the time of the filing of the Application in August 2017, the Company anticipated being able to offer open enrollment from September through November 2018 (the "Enrollment Period"). However, given the necessary billing system modifications that will need to be made to implement the AMP Pilot after receiving Commission approval of the Application, that Enrollment Period is no longer workable. Based on feedback received from the AMP Working Group, the Company intends to schedule the Enrollment Period for the AMP Pilot in either spring or fall, but the exact timing will continue to depend on when the Application is approved. If the Commission grants unconditional approval at its March 27, 2018 meeting, the Company anticipates deployment in April 2019 and an Enrollment Period beginning May 1, 2019.

In Paragraphs 22-23 of its Application, Delmarva Power set forth estimates of the administrative costs associated with the AMP Pilot and proposed to recover those administrative costs through the funds that have been allocated for the AMP Pilot through Docket No. 14-193. Based on discussions with the parties since filing the Application, Delmarva Power has refined those administrative costs identified in Paragraphs 22-23 to include only external costs associated with the AMP Pilot. The refined estimated cost range, with the internal costs removed, can be found in the chart below:

External Expense	Cost Estimate Range
External Labor – O&M	\$ 20,000 - \$40,000
Mailers and Education	\$100,000 - \$100,000
External Labor – Capital	\$ 45,000 - \$80,000
Total	\$165,000 - \$220,000

The internal costs associated with the AMP Pilot that were identified in the Application will be recovered through the normal rate making process.

Should you have any questions, please do not hesitate to contact me at 302-429-3143 or Heather Hall at 302-451-5323.

Respectfully submitted,

Lindsay B. Orr (Del. I.D. 5321)

cc: Connie McDowell

Robert Willard, Esquire

Andrew Slater

Andrea Maucher

Regina Iorii, Esquire

Members of AMP Working Group via email